



**West Palm Beach
Community Redevelopment Agency**

Special Meeting

**DRAFT
AGENDA**

**April 20, 2020
4:00 P.M.**

IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICANS WITH DISABILITIES ACT (ADA), PERSONS IN NEED OF A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHALL, WITHIN THREE DAYS PRIOR TO ANY PROCEEDING, CONTACT THE CITY CLERK'S OFFICE, 401 CLEMATIS STREET, WEST PALM BEACH, FLORIDA 33401, {(561) 822-1210}

**MAYOR
KEITH A. JAMES**

**CITY COMMISSION
PRESIDENT KELLY SHOAF**

**COMMISSIONER CHRISTINA LAMBERT
COMMISSIONER CHRISTY FOX**

**COMMISSIONER CORY NEERING
COMMISSIONER JOSEPH A. PEDUZZI**

**ADMINISTRATION
INTERIM CRA EXECUTIVE DIRECTOR, ALLISON JUSTICE
CITY ATTORNEY, KIMBERLY ROTHENBURG
TREASURER, MARK A. PARKS
CITY CLERK, HAZELINE CARSON**

1. ROLL CALL

CIVILITY AND DECORUM: The City of West Palm Beach is committed to civility and decorum by its officials, employees and members of the public who attend this meeting. The City Code, Secs. 2-31(8), 2-31(18) and 2-31(22), provides in pertinent part:

- Officials shall be recognized by the Chair and shall not interrupt a speaker.
- Public comment shall be addressed to the City Commission as a whole and not to any individual on the dais or in the audience.
- Displays of anger, rudeness, ridicule, impatience, lack of respect and personal attacks are strictly prohibited.
- Unauthorized remarks from the audience, stamping of feet, whistles, yells and similar demonstrations shall not be permitted.
- Offenders may be removed from the meeting.

COMMENTS FROM THE PUBLIC FOR NON-AGENDA ITEMS:

COMMENTS FROM THE BOARD:

ADDITIONS / DELETIONS / REORGANIZATION OF AGENDA:

RESOLUTIONS (2-5):

2. **Resolution No. 20-19 approving an amended Term Sheet for the Development of the Anchor Site and Lease Agreement with Immocorp Ventures.**

RESOLUTION NO. 20-19: A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING AN AMENDED TERM SHEET FOR DEVELOPMENT OF THE ANCHOR SITE AND ESTABLISHING THE BASIC TERMS FOR NEGOTIATION OF A PROPERTY DEVELOPMENT AND LEASE AGREEMENT WITH IMMOCORP VENTURES, LLC; GRANTING OWNERS CONSENT FOR THE APPLICATION OF DEVELOPMENT APPROVALS; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Agenda Cover Memorandum No.: 22084

Staff Recommended Motion:

Approve Resolution No. 20-19.

Background:

The CRA issued an ITN #17-18-501 for the purchase/lease and development of the Anchor Site in Northwood Village. The CRA Board heard presentations from interested developers and selected Immocorp Ventures, LLC with which to negotiate the development and lease of the Anchor Site. Resolution 19-31 approving the original term sheet, was approved on 8/26/2019. Immocorp Ventures did not execute the original Term Sheet and requested revisions. Through further negotiation, modifications were made to the original term sheet, which require CRA Board approval.

A general description of the terms is as follows: Development of a mixed use project that will incorporate approximately 350 Residential Units (approximately 250,000 square feet), 48,000 square feet of commercial retail and office space, 10,000 square feet of neighborhood supermarket space, a parking garage with approximately 450 parking spaces and a minimum of 10,000 square feet of public plaza and open space incorporating a public art component. The developer will enter into a lease agreement with the CRA for a period of 50 years, with an option to purchase the property for the total sum of \$4,000,000. The purchase price may be forgiven by the CRA provided the project is timely completed. The CRA will reimburse the developer for permit and other development fees, in an amount totaling \$1,000,000.

Construction will take place in no more than two phases. After completion of each phase of construction, the developer will have the right to purchase the completed portion. The CRA will forgive the purchase price if completion occurs within agreed timeline. If completion occurs outside of agreed schedule, the developer will have the option to purchase that phase for a price of \$28/SF. Construction shall be substantially completed according to the project schedule to be established in the Property Development and Lease Agreement, but not beyond 72 months from a signed Development Agreement.

Concept Plan: To be submitted to CRA within 3 months of the Effective Date of the Development Agreement.

Application for Government Approvals: To be submitted to CRA for approval within 6 months of the CRA approval of Concept Plan, and any amendments.

Governmental Approvals: To be obtained within 12 months after application; provided that the CRA may, in its reasonable discretion, extend the deadline by 6 months upon prior written request by the Developer, including an explanation for the additional time required and specific steps to be taken to promptly obtain the Governmental Approvals, In the event of any challenge to any of the Governmental Approvals, such time shall be extended until completion of all such challenges.

Phase I

Building Permit Application: To be submitted to City within 6 months after obtaining Governmental Approvals.

Outside Possession Date: 6 months after submission of Building Permit Application; however, the CRA may, in its reasonable discretion, extend the deadline by 3 months upon prior written request by the Developer, including an explanation for the additional time required and specific steps to be taken to promptly obtain the Building Permit.

Construction – Phase I

Commencement of Site Clearance: No later than 60 days after compliance with Pre-Construction requirements.

Commencement of Vertical Construction: No later than 90 days after compliance with Pre-Construction requirements.

Certificate of Occupancy Issued: No later than 24 months after Commencement of Vertical Construction.

Phase II

Building Permit Application: To be submitted to City no later than 18 months after obtaining Governmental Approvals; and may be extended with both parties' consent.

Outside Possession Date: 6 months after submission of Building Permit Application; however, the CRA may, in its reasonable discretion, extend the deadline by 3 months upon prior written request by the Developer, including an explanation for the additional time required and specific steps to be taken to promptly obtain the Building Permit.

Construction – Phase II

Commencement of Site Clearance: No later than 60 days after compliance with Pre-Construction requirements of Phase 2.

The CRA Advisory Board approved the amended Term Sheet on 3/27/20.

Resolution No. 20-19 approves the Term Sheet, authorizes the negotiation of a Property Development Agreement and Lease, and grants Owner's Consent for the submittal of applications for development approvals for the Project.

CRA DISTRICT: Northwood/Pleasant City District.

COMMISSION DISTRICT: Commission District 1: Commissioner Kelly Shoaf.

Fiscal Note:

Fiscal impact is contingent upon project completion deadlines.

3. **Resolution No. 20-24 authorizing the execution of a Ground Lease with Cohen Brothers Realty Corporation of Florida, LLC, for the development of the "tent site" at 801 S. Dixie Highway.**

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY, APPROVING GROUND LEASE WITH COHEN BROTHERS REALTY CORPORATION OF FLORIDA, LLC, FOR THE DEVELOPMENT OF PROPERTY KNOWN AS THE "TENT SITE" LOCATED AT 801 S. DIXIE HIGHWAY; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Agenda Cover Memorandum No.: 22085

Staff Recommended Motion:

Approve Resolution No. 20-24.

Background:

On December 3, 2017, the CRA issued Request for Qualifications No. 17-18-404 for the lease and development of a multi-use project of significant impact and prominence on the site commonly known as the Tent Site. Four responses were initially received by the CRA. After a competitive process, which included public hearings and deliberations by the CRA Board, on June 4, 2018, the CRA Board authorized staff to negotiate with Cohen Brothers Realty Corporation, LLC. ("Developer") the basic terms and conditions for such development.

On May 6, 2019, by Resolution No. 19-21, the CRA Board approved a Letter of Intent for the ground lease of the Tent Site (the "LOI"), which approved the basic terms for further development of the lease and development agreement.

Consistent with the LOI and pursuant to the CRA Board's authorization, CRA staff and Developer's representatives negotiated a Ground Lease for the construction, development, operation and maintenance of a Class A Office Building(s) with the following terms:

- Developer will construct Class-A Office Building(s) of no less than 400,000 sq. ft. which shall qualify, at a minimum, for LEED silver certification. The project will include parking and retail space, along with distinctive landscaping/green space and double wide sidewalks.
- Lease Term: 49 years, with option to review for 2 additional terms of 25 years each, not to exceed 99 years.
- Base Rent: Initial Base Rent shall be \$1,028,000 per year. Base Rent shall be adjusted annually based on the Consumer Price Index. On the twenty-fifth anniversary of the Rent Commencement Date, and prior to the commencement of each Renewal Term, the Base Rent shall be recalculated based on the then-current appraised value of the Leased Property.

- Equal Opportunity participation. 5% of the cost of the Developer Improvements shall be performed by MWBE firms; 10% of the cost of the Developer Improvements shall be performed by Local Workforce; 5% of the cost of the Developer Improvements shall be performed by Service Disabled Veterans businesses; and 15% of the cost of the Developer Improvements shall be performed by Small Businesses.
- Schedule: Approximately 18-24 months to obtain zoning approvals, building permits and other governmental approvals. Site preparation work to commence within 60 days of obtaining permits, with vertical construction to commence within 90 days of completion of the site preparation work. Construction to be completed within 36 months after commencement.
- Option to Purchase. Developer will have the option to purchase the Leased Property which may be exercised at any time for a period of 10 years after the rent commencement date. If Developer elects to exercise the Option, the purchase price for the Leased Property will be the fair market value of the Leased Property based on appraisal.

The concept plan for development will come to the CRA Board for approval within three (3) months of the execution of the attached agreement.

Resolution No. 20-24 approves the Ground Lease for the Tent Site with Cohen Brothers Realty Corporation of Florida, LLC.

CRA District: City Center / Downtown District.

COMMISSION DISTRICT: Commission District 3: Commissioner Christy Fox.

Fiscal Note:

Initial Base Rent shall be \$1,028,000 per year. Base Rent shall be adjusted annually based on the Consumer Price Index.

4. **Resolution No. 20-26 approving an interlocal agreement between the West Palm Beach Community Redevelopment Agency and the City of West Palm Beach for funding the operation of the Blue Line Trolley service.**

RESOLUTION NO. 20-26: A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING AN INTERLOCAL AGREEMENT BETWEEN THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY AND THE CITY OF WEST PALM BEACH TO PROVIDE FOR ALLOCATION OF FUNDING FROM THE AGENCY FOR THE OPERATION OF THE BLUE LINE TROLLEY SERVICE FOR FY 19-20 AND FY 20-21; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Agenda Cover Memorandum No.: 22086

Staff Recommended Motion:

Approve Resolution No. 20-26.

Background:

The City entered into a Trolley Operating Agreement dated November 3, 2017, with Molly's Trolleys of West Palm Beach, Inc., which was subsequently assigned to Hoffmann PB Trolley's, LLC, to provide Trolley services within the City. The purpose of the Blue Line trolley is to connect downtown West Palm Beach with the Historic Northwest, Pleasant City and Northwood Village, for the purpose of supporting increased economic development. The CRA has supported and funded the operation of a trolley route, known as the Blue Line for a number of years.

The interlocal agreement allows the CRA to fund the continued operations of the Blue Line Trolley Service for the remainder of FY 19-20, September 30, 2020, and provides funding for FY 20-21. The CRA, DDA, and Palm Beach Outlets had previously funded portions of this route over the last several years. Due to a decrease in funding from the Palm Beach Outlets and inconsistent and low ridership numbers, the City is in the process of modifying the Blue Line Route to eliminate the Palm Beach Outlets and add stops within the Historic Northwest and Pleasant City, which both reside within the CRA. The proposed Route is attached, will run from 11AM to 10PM each Thursday through Sunday and have shorter wait times than the current route. The City will also use the two new trolleys, it purchased and just received, on the Blue Line, which will reduce costs and add consistency to the trolley service.

The DDA has agreed to continue funding the modified Blue Line route and has agreed to contribute \$30,000 through September 30, 2020. The DDA will re-evaluate its funding at the conclusion of this fiscal year. Estimated costs for the CRA for the remainder of FY 19-20 are \$110,000, but will not exceed \$120,000, which has been previously budgeted, and \$211,000 for the period of October 1, 2020 through September 30, 2021.

Companion Resolution No. 103-20 will be presented to the West Palm Beach City Commission.

Resolution No. 20-26 approves a funding agreement for the CRA to fund the Blue Line Trolley route through the end of FY 20-21.

COMMISSION DISTRICT: District 3: Commissioner Christy Fox.

Fiscal Note:

Approval will provide funding from the CRA to the City in an amount not to exceed \$120,000 in FY19-20 and \$211,000 in FY20-21.

5. **Resolution No. 20-27 approving a funding interlocal agreement between the City of West Palm Beach and the West Palm Beach Community Redevelopment Agency for repaving a portion of Flagler Ave. from north of 3rd Street to south of Banyan Boulevard.**

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING A PROJECT FUNDING INTERLOCAL AGREEMENT BETWEEN THE CITY OF WEST PALM BEACH AND THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY FOR THE FUNDING OF THE REPAVING OF A PORTION OF FLAGLER DRIVE; PROVIDING FOR AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Agenda Cover Memorandum No.: 22087

Staff Recommended Motion:

Approve Resolution No. 20-27.

Background:

The CRA's Strategic Finance Plans for the Downtown/City Center District identifies target project areas and specific redevelopment activities and funding mechanisms for such projects. The CRA's Strategic Finance Plans for the City Center/Downtown CRA District, identifies the downtown core as a target area with focus on the redevelopment of the Old City Hall and Helen Wilkes Sites.

The Old City Hall and Helen Wilkes Sites are completing redevelopment. The Ben hotel has been constructed and the office, restaurant, retail and residential component of the project will be completed in the near future. To support the patrons, residents and workers of this new development, a portion of Flagler Drive, from north of 3rd Street to south of Banyan Boulevard needs to be repaved.

The total cost of the repaving is estimated at \$275,698.50; the developer of the Old City Hall/Helen Wilkes sites, Navarro Lowrey, Inc., has agreed to contribute \$15,964. The City of West Palm Beach will fund the amount of \$232,144.50. The City will contract for and manage the repaving.

The CRA wishes to fund a portion of the repaving in an amount not to exceed \$27,570.

Resolution No. 20-27 approves a Project Funding Agreement with the City of West Palm Beach committing \$27,570 to the repaving of a portion of Flagler Drive. This Agreement shall establish the authority for the City to access and encumber CRA funds for the repaving.

Companion Resolution No. 114-20 will be presented to the City Commission for approval.

CRA District: Downtown/City Center.

COMMISSION DISTRICT: District 3: Commissioner Christy Fox.

Fiscal Note:

\$27,570 from the Downtown/City Center Budget.

ADJOURNMENT:

NOTICE: IF ANY PERSON DECIDES TO APPEAL ANY DECISION OF THE CITY COMMISSION AT THIS MEETING, THAT PERSON WILL NEED A RECORD OF THE PROCEEDINGS AND FOR THAT PURPOSE MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED. THE CITY OF WEST PALM BEACH DOES NOT PREPARE OR PROVIDE SUCH A RECORD.